

State of Arizona
Senate
Forty-eighth Legislature
First Regular Session
2007

SENATE BILL 1556

AN ACT

AMENDING SECTIONS 11-251.12, 48-261, 48-803, 48-805, 48-806, 48-807, 48-815, 48-820 AND 48-822, ARIZONA REVISED STATUTES; AMENDING TITLE 48, CHAPTER 5, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 3; PROVIDING FOR THE DELAYED REPEAL OF TITLE 48, CHAPTER 5, ARTICLE 3, ARIZONA REVISED STATUTES; RELATING TO FIRE DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 11-251.12, Arizona Revised Statutes, is amended to
3 read:

4 11-251.12. Noncontiguous county islands; fire and emergency
5 services protection; intergovernmental agreement
6 with municipalities; definitions

7 A. A county ~~with~~ THAT HAS a population of more than one million five
8 hundred thousand persons and that has a county island that does not form a
9 NONCONTIGUOUS county island fire district as prescribed by section ~~48-261,~~
10 ~~subsection H shall~~ 48-850 MAY enter into an intergovernmental agreement with
11 a municipality or municipalities for fire protection and emergency medical
12 services in that county island.

13 B. Notwithstanding any other law, a county is liable if the county was
14 negligent in enforcing building, zoning or other related codes in a county
15 island and a municipality that has an intergovernmental agreement to provide
16 fire and emergency medical services pursuant to this section is hindered in
17 responding to an emergency because of a building, zoning or other related
18 code issue.

19 ~~B. If a municipality elects to provide fire and emergency medical~~
20 ~~services in a county island where a private provider of fire or emergency~~
21 ~~services already has facilities or provides service, the municipality and the~~
22 ~~private provider shall enter into an agreement covering the roles and~~
23 ~~relationships regarding mutual aid or backup agreements and any services for~~
24 ~~which the municipality wishes to contract and any reimbursement or billing~~
25 ~~and collection practices. The agreement shall be executed before the~~
26 ~~municipality commences providing service in the county island. No agreement~~
27 ~~is required if the private provider notifies the municipality that it will~~
28 ~~cease service in the county island within one hundred eighty days after the~~
29 ~~date the municipality commences providing service.~~

30 C. For the purposes of this article, "county island" means
31 unincorporated territory that is surrounded on all sides by a municipality or
32 where the unincorporated territory has borders that involve a combination of
33 a municipality or municipalities and an Indian reservation.

34 Sec. 2. Section 48-261, Arizona Revised Statutes, is amended to read:

35 48-261. District creation; procedures; notice; hearing;
36 determinations; petitions

37 A. ~~Except for a county island fire district formed pursuant to~~
38 ~~subsection H of this section,~~ A fire district, community park maintenance
39 district, sanitary district or hospital district for either a hospital or an
40 urgent care center shall be created by the following procedures:

41 1. Any adult person desiring to propose creation of a district shall
42 prepare and submit a district impact statement to the board of supervisors of
43 the county in which the district is to be located. Except for a proposed
44 community park maintenance district that is to be located in more than one
45 county, if a proposed district is located in more than one county, the impact

1 statement shall be submitted to the board of supervisors of the county in
2 which the majority of the assessed valuation of the proposed district is
3 located. The boards of supervisors of any other counties in which a portion
4 of the district is to be located shall provide information and assistance to
5 the responsible board of supervisors. For a community park maintenance
6 district that is to be located in more than one county, the impact statement
7 shall be submitted to the board of supervisors for each of the affected
8 counties. If the person desiring to create a district pursuant to this
9 section is unable to complete the district impact statement, the board of
10 supervisors may assist in the completion of the impact statement if requested
11 to do so, provided the bond required in subsection C of this section is in an
12 amount sufficient to cover any additional cost to the county. The district
13 impact statement shall contain at least the following information:

14 (a) A legal description of the boundaries of the proposed district and
15 a detailed, accurate map of the area to be included in the district.

16 (b) An estimate of the assessed valuation within the proposed
17 district.

18 (c) An estimate of the change in the property tax liability, as a
19 result of the proposed district, of a typical resident of the proposed
20 district.

21 (d) A list and explanation of benefits that will result from the
22 proposed district.

23 (e) A list and explanation of the injuries that will result from the
24 proposed district.

25 (f) The names, addresses and occupations of the proposed members of
26 the district's organizing board of directors.

27 (g) A description of the scope of services to be provided by the
28 district during its first five years of operation. At a minimum this
29 description shall include an estimate of anticipated capital expenditures,
30 personnel growth and enhancements to service.

31 2. On receipt of the district impact statement, the board of
32 supervisors shall set a day, not fewer than thirty nor more than sixty days
33 from that date, for a hearing on the impact statement. The board of
34 supervisors, at any time prior to making a determination pursuant to
35 paragraph 4 of this subsection, may require that the impact statement be
36 amended to include any information that the board of supervisors deems to be
37 relevant and necessary.

38 3. ~~Upon~~ **ON** receipt of the district impact statement, the clerk of the
39 board of supervisors shall mail, by first class mail, written notice of the
40 statement, its purpose and notice of the day, hour and place of the hearing
41 on the proposed district to each owner of taxable property and to each
42 household in which a qualified elector resides within the boundaries of the
43 proposed district. The clerk of the board of supervisors shall post the
44 notice in at least three conspicuous public places in the area of the
45 proposed district and shall publish twice in a daily newspaper of general

1 circulation in the area of the proposed district, at least ten days before
2 the hearing, or, if no daily newspaper of general circulation exists in the
3 area of the proposed district, then at least twice at any time before the
4 date of the hearing, a notice setting forth the purpose of the impact
5 statement, the description of the area of the proposed district and the day,
6 hour and place of the hearing.

7 4. At the hearing called pursuant to paragraph 2 of this subsection,
8 the board of supervisors shall hear those who appear for and against the
9 proposed district and shall determine whether the creation of the district
10 will promote public health, comfort, convenience, necessity or welfare. If
11 the board of supervisors determines that the public health, comfort,
12 convenience, necessity or welfare will be promoted, it shall approve the
13 district impact statement and authorize the persons proposing the district to
14 circulate petitions as provided in this subsection. For a community park
15 maintenance district that is required to obtain the approval of more than one
16 county's board of supervisors, the petitions may only be circulated after
17 approval of the board of supervisors from each affected county. The order of
18 the board of supervisors shall be final, but if the request to circulate
19 petitions is denied, a subsequent request for a similar district may be
20 refiled with the board of supervisors after six months from the date of such
21 denial.

22 5. Within fifteen days after receiving the approval of the board of
23 supervisors as prescribed by paragraph 4 of this subsection, the clerk of the
24 board shall determine the minimum number of signatures required for
25 compliance with paragraph 7, ~~subdivision~~ SUBDIVISIONS (b) and (c) of this
26 subsection. After making that determination, that number of signatures shall
27 remain fixed, notwithstanding any subsequent changes in voter registration
28 records.

29 6. After receiving the approval of the board of supervisors as
30 provided in paragraph 4 of this subsection, any adult person may circulate
31 and present petitions to the board of supervisors of the county in which the
32 district is located. All petitions circulated shall be returned to the board
33 of supervisors within one year from the date of the approval of the board of
34 supervisors pursuant to paragraph 4 of this subsection. Any petition that is
35 returned more than one year from that date is void.

36 7. The petitions presented pursuant to paragraph 6 of this subsection
37 shall comply with the provisions regarding petition form in section 48-265
38 and verification in section 48-266 and shall:

39 (a) At all times, contain a legal description of the boundaries of the
40 proposed district and a detailed, accurate map of the proposed district and
41 the names, addresses and occupations of the proposed members of the
42 district's organizing board of directors. No alteration of the proposed
43 district shall be made after receiving the approval of the board of
44 supervisors as provided in paragraph 4 of this subsection.

1 (b) Be signed by more than one-half of the property owners in the area
2 of the proposed district and be signed by persons owning collectively more
3 than one-half of the assessed valuation of the property in the area of the
4 proposed district.

5 (c) If a petition of qualified electors, be signed by more than
6 one-half of the qualified electors within the boundaries of the proposed
7 district.

8 8. On receipt of the petitions, the board of supervisors shall set a
9 day, not fewer than ten nor more than thirty days from that date, for a
10 hearing on the petition.

11 9. Prior to the hearing called pursuant to paragraph 8 of this
12 subsection, the board of supervisors shall determine the validity of the
13 petitions presented.

14 10. At the hearing called pursuant to paragraph 8 of this subsection,
15 the board of supervisors, if the petitions are valid, shall order the
16 creation of the district. The board of supervisors shall enter its order
17 setting forth its determination in the minutes of the meeting, not later than
18 ten days from the day of the hearing, and a copy of the order shall be filed
19 in the county recorder's office. The order of the board of supervisors shall
20 be final, and the proposed district shall be created thirty days after the
21 board of supervisors votes to create the district, except that for a
22 community park maintenance district that is proposed for more than one
23 county, the proposed district is created thirty days after the approval of
24 the board of supervisors of the final county of the counties in which the
25 district is to be located. A decision of the board of supervisors under this
26 subsection is subject to judicial review under title 12, chapter 7,
27 article 6.

28 B. For the purpose of determining the validity of the petitions
29 presented pursuant to subsection A, paragraph 6 of this section:

30 1. Qualified electors shall be those persons qualified to vote
31 pursuant to title 16.

32 2. Property held in multiple ownership shall be treated as if it had
33 only one property owner, so that the signature of only one of the owners of
34 property held in multiple ownership is required on the formation petition.

35 3. The value of property shall be determined as follows:

36 (a) In the case of property assessed by the county assessor, values
37 shall be the same as those shown on the last assessment roll of the county
38 containing such property.

39 (b) In the case of property valued by the department of revenue, the
40 values shall be those determined by the department in the manner provided by
41 law, for municipal assessment purposes. The county assessor and the
42 department of revenue, respectively, shall furnish to the board of
43 supervisors, within twenty days after such a request, a statement in writing
44 showing the owner, the address of each owner and the appraisal or assessment

1 value of properties contained within the boundaries of the proposed district
2 as described in subsection A of this section.

3 C. The board of supervisors may require of the person desiring to
4 propose creation of a district pursuant to subsection A, paragraph 1 of this
5 section a reasonable bond to be filed with the board at the start of
6 proceedings under this section. The bond shall be in an amount sufficient to
7 cover costs incurred by the county if the district is not finally organized.
8 County costs covered by the bond include any expense incurred from completion
9 of the district impact statement, mailing of the notice of hearing to
10 district property owners and electors, publication of the notice of hearing
11 and other expenses reasonably incurred as a result of any requirements of
12 this section.

13 D. If a district is created pursuant to this section, the cost of
14 publication of the notice of hearing, the mailing of notices to electors and
15 property owners and all other costs incurred by the county as a result of ~~the~~
16 ~~provisions of~~ this section shall be a charge against the district.

17 E. If a proposed district would include property located within an
18 incorporated city or town, in addition to the other requirements of
19 subsection A of this section, the board shall approve the creation and
20 authorize the circulation of petitions only if the governing body of the city
21 or town has by ordinance or resolution endorsed such creation.

22 F. Except as provided in section 48-850 AND SECTION 48-2001,
23 subsection A, the area of a district created pursuant to this section shall
24 be contiguous.

25 G. A district organized pursuant to this section shall have an
26 organizing board of directors to administer the affairs of the district until
27 a duly constituted board of directors is elected as provided in this title.
28 The organizing board shall have all the powers, duties and responsibilities
29 of an elected board. The organizing board shall consist of the three
30 individuals named in the district impact statement and the petitions
31 presented pursuant to subsection A of this section. If a vacancy occurs on
32 the organizing board, the remaining board members shall fill the vacancy by
33 appointing an interim member. Members of the organizing board shall serve
34 without compensation but may be reimbursed for actual expenses incurred in
35 performing their duties. The organizing board shall elect from its members a
36 chairman and a clerk.

37 ~~H. For a county island fire district only:~~

38 ~~1. Any person may petition the board of supervisors for the county in~~
39 ~~which the county island fire district is proposed to be located. The~~
40 ~~petitions shall comply with section 48-265 regarding petition form and shall~~
41 ~~be verified as prescribed in section 48-266. If the petitions submitted are~~
42 ~~verified as having the signatures of more than one-half of the aggregate~~
43 ~~number of owners of all of the real property located in the county islands in~~
44 ~~the proposed district as prescribed by section 48-805, subsection E,~~
45 ~~paragraph 1, after a hearing, the board of supervisors may certify the~~

1 ~~establishment of the county island fire district. The county island fire~~
2 ~~district shall be governed by a five member elected district board pursuant~~
3 ~~to section 48-803, but shall be governed initially by a board appointed by~~
4 ~~the county board of supervisors from among qualified electors of the county.~~
5 ~~On formation of the district, the surrounding city or town shall provide fire~~
6 ~~protection services and emergency medical services to the district. The~~
7 ~~initial appointed board shall schedule an election to be held on the next~~
8 ~~consolidated election date as prescribed by section 16-204. That election~~
9 ~~shall be held as otherwise provided by law. The county island fire district~~
10 ~~board shall also notify the county board of supervisors of the cost of~~
11 ~~providing fire protection services and emergency medical services for each~~
12 ~~household or other structure in the district.~~

13 ~~2. In any legal action challenging the validity of this subsection or~~
14 ~~seeking to oppose or enjoin the creation or formation of a district~~
15 ~~contemplated by this subsection, the following apply:~~

16 ~~(a) The board of supervisors of the county that certified the~~
17 ~~establishment of the district, after consultation with the district board,~~
18 ~~may advance funds necessary for the representation of named parties and~~
19 ~~defense of the action.~~

20 ~~(b) A defendant that is a prevailing party in a legal challenge~~
21 ~~contemplated by this paragraph shall be awarded its costs and reasonable~~
22 ~~attorney fees against any party who challenged the validity of this~~
23 ~~subsection or district formation.~~

24 ~~3. Where district formation is contemplated by this subsection, the~~
25 ~~county in which the district or proposed district is located may enter into~~
26 ~~an intergovernmental agreement pursuant to title 11, chapter 7, article 3,~~
27 ~~with the district or proposed district for any purpose not inconsistent with~~
28 ~~this subsection.~~

29 ~~I.~~ H. For the purposes of this section assessed valuation does not
30 include the assessed valuation of property that is owned by a county, this
31 state or the United States government and in the case of multiple ownership
32 of a single parcel of property, any one property owner constitutes the entire
33 ownership interest.

34 ~~J. For the purposes of this section, "county island fire district"~~
35 ~~means a fire district that is formed or proposed to be formed only in those~~
36 ~~unincorporated areas of a single county that are surrounded by a single city~~
37 ~~or town or that are surrounded by a single city or town in combination with~~
38 ~~other publicly owned or sovereign land, and in which the existing private~~
39 ~~fire service provider has issued a notice to the residents of the county~~
40 ~~island that it plans to discontinue or substantially reduce service.~~

41 Sec. 3. Section 48-803, Arizona Revised Statutes, is amended to read:

42 48-803. District administered by a district board

43 A. In a district ~~which~~ THAT the board of supervisors estimates has a
44 population of fewer than four thousand inhabitants, the district board may
45 consist of three or five members. In a district ~~which~~ THAT the board of

1 supervisors estimates has a population of four thousand or more inhabitants,
2 the district board shall consist of five members, and for a **NONCONTIGUOUS**
3 county island fire district formed pursuant to section ~~48-261, subsection H~~
4 **48-850**, the board shall consist of five members. The estimate of population
5 by the board of supervisors is conclusive and shall be based on available
6 census information, school attendance statistics, election or voter
7 registration statistics, estimates provided by state agencies or the county
8 assessor, or other information as deemed appropriate by the board of
9 supervisors. If the board of supervisors determines, at any time prior to
10 one hundred twenty days before the next regular scheduled election for
11 members of a district board, that the population of a fire district
12 administered by a district board consisting of three members exceeds four
13 thousand inhabitants, estimated as provided in this section, the board of
14 supervisors shall order an increase in the number of members of the district
15 board. If the board of supervisors determines at any time prior to one
16 hundred eighty days before the next regularly scheduled election for members
17 of a district board that the population of a fire district administered by a
18 district board that consists of five members exceeds fifty thousand
19 inhabitants as prescribed in this section, the board of supervisors shall
20 inform the district board that it may expand to seven members. Any expansion
21 to seven members shall occur by majority vote of the district board. The
22 increase is effective for the election of the additional members at the next
23 regular election of members of the district board.

24 B. If a vacancy occurs on the district board other than from
25 expiration of a term, the remaining board members shall fill the vacancy by
26 appointment of an interim member. If the entire board resigns or for any
27 reason cannot fulfill its duties, the board of supervisors shall appoint an
28 administrator to administer the district with the same duties and obligations
29 of the elected board. If the board of supervisors fails to appoint an
30 administrator within thirty days, a special election shall be held to fill
31 the vacancies on the fire district board.

32 C. Members of the district board shall serve without compensation, but
33 may be reimbursed for actual expenses incurred in performing duties required
34 by law.

35 D. ~~Except for a county island~~ **THE BOARD OF A** fire district ~~formed~~
36 ~~pursuant to section 48-261, subsection H, the board~~ shall appoint or hire a
37 fire chief.

38 E. The **DISTRICT** board shall elect from its members a chairman and a
39 clerk.

40 F. Of the members first elected to **DISTRICT** boards consisting of three
41 members, the two people receiving the first and second highest number of
42 votes shall be elected to four-year terms, and the person receiving the third
43 highest number of votes shall be elected to a two-year term. Of the members
44 first elected to **DISTRICT** boards consisting of five members, the three people
45 receiving the first, second and third highest number of votes shall be

1 elected to four-year terms, and the two people receiving the fourth and fifth
2 highest number of votes shall be elected to two-year terms. Thereafter, the
3 term of office of each DISTRICT board member shall be four years from the
4 first day of the month next following such member's election. Of the members
5 elected as additional members to a five member DISTRICT board, the person
6 with the highest number of votes is elected to a four-year term and the
7 person with the second highest number of votes is elected to a two-year term.
8 If a district resolves to increase the governing board to seven members
9 pursuant to subsection A, the governing board may appoint two additional
10 members to serve until the next general election. After the general election
11 at which the two additional members are elected, the newly elected member
12 with the highest number of votes serves a four-year term and the other member
13 serves a two-year term. Thereafter, the term of office for these two new
14 members is four years.

15 Sec. 4. Section 48-805, Arizona Revised Statutes, is amended to read:

16 48-805. Fire district; powers and duties

17 A. A fire district, through its board or elected chief and
18 secretary-treasurer, shall:

19 1. Hold public meetings at least once each calendar month.

20 2. Prepare an annual budget containing detailed estimated expenditures
21 for each fiscal year ~~which~~ THAT shall clearly show salaries payable to
22 employees of the district, including the elected or appointed chief. The
23 budget shall be posted in three public places and published in a newspaper of
24 general circulation in the district thirty days prior to a public hearing at
25 a meeting called by the board or elected chief to adopt the budget. Copies
26 of the budget shall also be available to members of the public ~~upon~~ ON
27 written request to the district. Following the public hearing, the district
28 board or elected chief and secretary-treasurer shall adopt a budget.

29 3. Determine the compensation payable to district personnel.

30 4. Require probationary employees in a paid sworn firefighter
31 position, a reserve firefighter position or a volunteer firefighter position
32 to submit a full set of fingerprints to the fire district. The fire district
33 shall submit the fingerprints to the department of public safety for the
34 purpose of obtaining a state and federal criminal records check pursuant to
35 section 41-1750 and Public Law 92-544. The department of public safety may
36 exchange this fingerprint data with the federal bureau of investigation.

37 B. A fire district, through its board or elected fire chief and
38 secretary-treasurer, may:

39 1. Employ any personnel and provide services deemed necessary for fire
40 protection, for preservation of life and for carrying out its other powers
41 and duties, including providing ambulance transportation services when
42 authorized to do so pursuant to title 36, chapter 21.1, article 2, but a
43 member of a district board shall not be an employee of the district. The
44 merger of two or more fire districts pursuant to section 48-820 or the
45 consolidation with one or more fire districts pursuant to section 48-822

1 shall not expand the boundaries of an existing certificate of necessity
2 unless authorized pursuant to title 36, chapter 21.1, article 2.

3 2. Construct, purchase, lease, lease-purchase or otherwise acquire the
4 following or any interest therein and, in connection with such construction
5 or other acquisition, purchase, lease, lease-purchase or grant a lien on any
6 or all of its present or future property, including:

7 (a) Apparatus, water and rescue equipment, including ambulances and
8 equipment related to any of the foregoing.

9 (b) Land, buildings, equipment and furnishings to house equipment and
10 personnel necessary or appropriate to carry out its purposes.

11 3. Finance the acquisition of property as provided in this section and
12 costs incurred in connection with the issuance of bonds as provided in
13 section 48-806. Bonds shall not be issued without the consent of a majority
14 of the electors of the district voting at an election held for that purpose.
15 For the purposes of an election held under this ~~paragraph~~ SUBSECTION, all
16 persons who are eligible to vote in fire district elections under section
17 48-802 are eligible to vote.

18 4. Enforce the fire code adopted by the district, if any, and assist
19 the state fire marshal in the enforcement of fire protection standards of
20 this state within the fire district including enforcement of a nationally
21 recognized fire code when expressly authorized by the state fire marshal.

22 5. After the approval of the qualified electors of the fire district
23 voting at a regular district election or at a special election called for
24 such purpose by the district board or the elected chief and
25 secretary-treasurer, as appropriate, or at any election held in the county
26 which encompasses the fire district, adopt the _____ fire code, which is
27 a nationally recognized fire code approved by the state fire marshal. The
28 words appearing ~~upon~~ ON the ballots shall be "Should _____ fire
29 district adopt the _____ fire code, which is a nationally recognized
30 fire code approved by the state fire marshal--yes", "Should _____
31 fire district adopt the _____ fire code, which is a nationally
32 recognized fire code approved by the state fire marshal--no". Such code
33 shall be enforced by the county attorney in the same manner as any other law
34 or ordinance of the county. Any inspection or enforcement costs are the
35 responsibility of the fire district involved. The district shall keep on
36 file such code which shall be open to public inspection for a period of
37 thirty days prior to any election for the purpose of adopting a fire code.
38 Copies of the order of election shall be posted in three public places in the
39 district not less than twenty days before the date of the election, and if a
40 newspaper is published in the county having a general circulation in the
41 district, the order shall be published in the newspaper not less than once a
42 week during each of the three calendar weeks preceding the calendar week of
43 the election.

44 6. Amend or revise the adopted fire code, including replacement of the
45 adopted fire code with an alternative nationally recognized fire code, with

1 the approval of the state fire marshal and after a hearing held pursuant to
2 posted and published notice as prescribed by subsection A, paragraph 2 of
3 this section. The district shall keep three copies of the adopted code,
4 amendments and revisions on file for public inspection.

5 7. Enter into an agreement procuring the services of an organized
6 private fire protection company or a fire department of a neighboring city,
7 town, district or settlement without impairing the fire district's powers.

8 8. Contract with a city or town for fire protection services for all
9 or part of the city or town area until the city or town elects to provide
10 regular fire department services to the area.

11 9. Retain a certified public accountant to perform an annual audit of
12 district books.

13 10. Retain private legal counsel.

14 11. Accept gifts, contributions, bequests and grants and comply with
15 any requirements of such gifts, contributions, bequests and grants not
16 inconsistent with this article.

17 12. Appropriate and expend annually such monies as are necessary for
18 the purpose of fire districts belonging to and paying dues in the Arizona
19 fire district association and other professional affiliations or entities.

20 13. Adopt resolutions establishing fee schedules both within and
21 outside of the jurisdictional boundaries of the district for providing fire
22 protection services and services for the preservation of life, including
23 emergency fire and emergency medical services, plan reviews, standby charges,
24 fire cause determination, users' fees, facilities benefit assessments or any
25 other fee schedule that may be required.

26 14. Adopt resolutions for a schedule for financial reimbursement to
27 taxpayers for installation of certain fire protection systems such as
28 sprinklers and monitored alarms. Any resolution to offer reimbursements
29 shall include all of the following:

30 (a) A nationally recognized analysis of the cost savings to the
31 district by using the fire protection systems.

32 (b) The specifications of all qualifying systems.

33 (c) The requirements for claiming reimbursement. The amount of
34 reimbursement offered shall bear a reasonable relationship to the cost
35 savings that accrue to the district as a result of the installation of
36 qualifying systems.

37 (d) The requirement that the resolution to offer reimbursements
38 expires one year after its adoption unless specifically readopted by the
39 governing board. A resolution to readopt a schedule for financial
40 reimbursement shall additionally include a statement as to the program's
41 effectiveness. The statement shall include the amount of reimbursements paid
42 to each taxpayer for the installation of the fire protection system.

43 15. The governing board of a fire district, with the approval of two of
44 the three members of a three member board, four of the five members of a five
45 member board or five of the seven members of a seven member board, may change

1 the district's name and on so doing shall give written notice to the board of
2 supervisors of the change.

3 16. Require all employees to submit a full set of fingerprints as
4 prescribed by subsection A, paragraph 4 of this section.

5 17. Enter into intergovernmental agreements or contracts as follows:

6 (a) Enter into an intergovernmental agreement with another political
7 subdivision for technical or administrative services or to provide fire
8 services to the property owned by the political subdivision, including
9 property that is outside the district boundary.

10 (b) Enter into a contract with individuals to~~+~~

11 ~~(i)~~ provide technical or administrative services.

12 ~~(ii)~~ (c) **ENTER INTO A CONTRACT WITH INDIVIDUALS TO** provide fire
13 protection services **OR EMERGENCY MEDICAL SERVICES** to property owned by the
14 individual located outside the district boundaries if the individual's
15 property is not located in a county island as defined in section 11-251.12
16 and at least one of the following ~~apply~~ **APPLIES**:

17 ~~(aa)~~ (i) The existing fire service provider where the individual's
18 property is located has issued a notice to the individual that the provider
19 plans to discontinue service.

20 ~~(bb)~~ (ii) Fire service is not available to the individual's property.

21 ~~(cc)~~ (iii) Fire service is offered pursuant to a contract or
22 subscription and the individual has not obtained service for a period of
23 twenty-four months before the date of the contract with the district.

24 ~~(e)~~ (d) Enter into a contract with individuals to provide fire
25 services to property owned by the individual located outside the district
26 boundaries, where the individual's property is located in a county island as
27 defined in section 11-251.12, if both of the following apply:

28 (i) The existing fire service provider where the individual's property
29 is located has issued a notice to the residents of the county island and the
30 individual that the provider plans to discontinue or substantially reduce
31 service.

32 (ii) The district offers contracts to all residents and property
33 owners of the county island who will be affected by the discontinuance or
34 substantial reduction in service by the current fire service provider.

35 ~~(d)~~ (e) For **THE** purposes of subdivision (a), (b) ~~or~~, (c) **OR** (d) of
36 this paragraph, a district may contract with any public or private fire
37 service provider to provide some or all of the contractual services the
38 district is contracting to deliver.

39 ~~(e)~~ (f) Any contract entered into pursuant to subdivisions (b) ~~and~~,
40 (c) **AND** (d) of this paragraph shall include a provision setting forth the
41 cost of service and performance criteria.

42 C. The chairman and clerk of the district board or their respective
43 designees or the elected chief and secretary-treasurer, as applicable, shall
44 draw warrants on the county treasurer for money required to operate the
45 district in accordance with the budget and, as so drawn, the warrants shall

1 be sufficient to authorize the county treasurer to pay from the fire district
2 fund.

3 D. The district shall not incur any debt or liability in excess of
4 taxes levied and to be collected and the money actually available and
5 unencumbered at the time in the fund, except as provided in subsection B,
6 paragraph 2 of this section and in sections 48-806 and 48-807.

7 E. ~~For a county island fire district formed pursuant to section~~
8 ~~48-261, subsection H, the following apply:~~

9 ~~1. The district may be formed only in county islands that are located~~
10 ~~in an area that is within the 911 service provider district in which the~~
11 ~~largest city has a population of more than three hundred ninety-five thousand~~
12 ~~persons but less than five hundred thousand persons and that is located~~
13 ~~within the municipal planning area of a town with a population of one hundred~~
14 ~~thousand or more persons as designated in the land use map of the~~
15 ~~municipality's general plan. The district may only be formed if the district~~
16 ~~contains all of the county islands that are prescribed in this paragraph and~~
17 ~~after compliance with the petition requirements prescribed by section 48-261,~~
18 ~~subsection H.~~

19 ~~2. The district is authorized only to receive fire protection services~~
20 ~~and emergency medical services from the adjacent city or town government or~~
21 ~~some other provider of fire protection and emergency medical services. A~~
22 ~~county island fire district has no authority to provide fire protection~~
23 ~~services or emergency medical services by any method other than as prescribed~~
24 ~~by this subsection. The city or town shall charge a reasonable rate to the~~
25 ~~county island fire district to recover the costs of the service and excluding~~
26 ~~the costs of any awards made pursuant to section 48-261, subsection H,~~
27 ~~paragraph 2, and The district board may assess and levy a secondary property~~
28 ~~tax pursuant to this article to pay for the costs of the FIRE PROTECTION~~
29 ~~SERVICE OR EMERGENCY MEDICAL service. The amount charged by the city or town~~
30 ~~is limited as follows:~~

31 ~~(a) For each residence or commercial building, an amount to buy into~~
32 ~~service from the city or town. The amount chargeable pursuant to this~~
33 ~~paragraph is limited to the portion of any new home impact fee being charged~~
34 ~~by that city or town that is designated for fire protection, and that amount~~
35 ~~shall be deferred and payable over a three year period.~~

36 ~~(b) If additional infrastructure is reasonably necessary to provide~~
37 ~~service to the county island fire district, the city or town may charge a fee~~
38 ~~of up to seventy-five dollars per year for each household or other structure~~
39 ~~for up to five years.~~

40 ~~(c) An operation and maintenance charge that is determined by~~
41 ~~calculating the annual operation and maintenance charge for the city or town~~
42 ~~and dividing that amount by the sum of the number of households and~~
43 ~~commercial buildings located in the city or town and the number of households~~
44 ~~and commercial buildings located in the county island fire district.~~

1 ~~(d) Administrative costs of up to five per cent of the annual~~
2 ~~operating and maintenance costs per year but not more than twenty five~~
3 ~~dollars per household or commercial building per year.~~

4 ~~3. Within ten business days after the appointment of the board of~~
5 ~~directors for the district, the district shall issue a request for proposals~~
6 ~~for providers of fire protection and emergency medical services for the~~
7 ~~county island fire district. Notwithstanding any other law, the request for~~
8 ~~proposals is deemed a lawful procurement if the district provides for~~
9 ~~expedited public notice of the request for proposals, the due date and the~~
10 ~~terms of the request for proposals. If there are no responsive and qualified~~
11 ~~bidders on the request for proposals or if the service provider withdraws~~
12 ~~from its contract, the fire protection and emergency medical services shall~~
13 ~~be provided by the adjacent city or town. The request for proposals shall~~
14 ~~provide that the service provider shall be paid not more than the monies~~
15 ~~prescribed by this subsection and shall also provide for a maximum of thirty~~
16 ~~days for the receipt of proposals from service providers. The request for~~
17 ~~proposals shall include the following provisions:~~

18 ~~(a) A successful bidder shall post a ten million dollar performance~~
19 ~~bond, which shall be forfeited if the successful bidder does not fully~~
20 ~~perform the contract or terminates the contract with less than one year's~~
21 ~~notice.~~

22 ~~(b) The performance standards for fire protection and emergency~~
23 ~~services shall conform to those of surrounding municipalities.~~

24 ~~(c) Any municipality that bids to provide services is exempt from the~~
25 ~~performance bond prescribed by subdivision (a) of this paragraph.~~

26 ~~(d) Nothing in the request for proposals shall preclude a private fire~~
27 ~~service provider from submitting and being eligible for a bid for the~~
28 ~~proposed services.~~

29 ~~F. Until formation of a county island fire district is certified by~~
30 ~~the county board of supervisors, a city or town fire service provider is not~~
31 ~~liable for any fire protection services for any areas outside of the city's~~
32 ~~or town's jurisdiction and a city or town has no legal obligation to provide~~
33 ~~fire protection services to residents of the county who are not located~~
34 ~~within the boundaries of the city or town.~~

35 ~~G. Notwithstanding any other law, a city or town is liable if the city~~
36 ~~or town is grossly negligent in providing fire or emergency medical services~~
37 ~~to a county island fire district formed pursuant to this section. For~~
38 ~~purposes of title 23, chapter 6, for a city or town that provides fire or~~
39 ~~emergency medical services to a county island fire district pursuant to this~~
40 ~~section, the providers of those services are acting within the scope of their~~
41 ~~duties to the city or town while providing those services to a county island~~
42 ~~fire district and the city or town shall provide workers' compensation~~
43 ~~coverage to those providers.~~

44 ~~H. Subsection E of this section does not apply to and a county island~~
45 ~~fire district cannot be formed to include real property owned by a public~~

1 ~~service corporation that is regulated by the corporation commission or real~~
2 ~~property owned by a special taxing district organized pursuant to title 48,~~
3 ~~chapter 17.~~

4 ~~F.~~ F. The county attorney may advise and represent the district when
5 in the county attorney's judgment such advice and representation are
6 appropriate and not in conflict with the county attorney's duties under
7 section 11-532. If the county attorney is unable to advise and represent the
8 district due to a conflict of interest, the district may retain private legal
9 counsel or may request the attorney general to represent it, or both.

10 Sec. 5. Section 48-806, Arizona Revised Statutes, is amended to read:

11 48-806. Bond election; issuance and sale of bonds

12 A. EXCEPT FOR A DISTRICT FORMED PURSUANT TO SECTION 48-850, the
13 district board or the elected chief and secretary-treasurer may order an
14 election by the qualified electors of the district to be held pursuant to
15 title 16, chapter 2, article 1 to determine whether bonds shall be issued on
16 behalf of the district. The order shall specify the maximum principal amount
17 of bonds to be issued, the maximum number of years bonds of any issue or
18 series may run from their date not exceeding thirty years, the purpose for
19 which the bonds are to be issued, the maximum rate of interest which the
20 bonds are to bear, the date and hours of the election and the location of the
21 polling places. Copies of the order shall be posted in three public places
22 within the district not less than twenty days prior to the date of the
23 election, and if a newspaper is published within the county having a general
24 circulation within the district, the order shall be published in the
25 newspaper not less than once a week during each of the three calendar weeks
26 preceding the calendar week of the election.

27 B. A DISTRICT BOARD FORMED PURSUANT TO SECTION 48-850 SHALL NOT ORDER
28 AN ELECTION FOR OR ISSUE BONDS UNDER THIS SECTION.

29 ~~B.~~ C. Instead of publishing the notice described in subsection A OF
30 THIS SECTION, the board of directors may mail a notice of election to each
31 household containing a qualified elector of the district. The notice shall
32 contain the same information described in subsection A OF THIS SECTION except
33 that the notice shall not contain the location of all the polling places for
34 that election. The notice shall contain the location of the polling place
35 for that household's qualified electors. The notice shall be mailed at least
36 thirty-five days before the election.

37 ~~C.~~ D. At the election the ballot shall contain the phrases "for the
38 bonds" and "against the bonds". There shall be placed a square or other
39 designated marking space in the same manner as used for candidates on
40 ballots. The voter shall indicate a vote "for the bonds" or "against the
41 bonds". No other question, word or figure need be printed on the ballot.
42 The ballot need not be any particular size, nor need sample ballots be
43 printed, posted or distributed but ballots shall comply with standards
44 otherwise provided by law including requirements for electronic voting, if
45 applicable.

1 ~~D~~. E. If a majority of the qualified electors of the district voting
2 at the election approves the issuance of bonds, the district board or the
3 elected chief and secretary-treasurer, as appropriate, may issue bonds in an
4 aggregate principal amount not exceeding the lesser of six per cent of the
5 value of the taxable property in the district as shown on the last property
6 tax assessment roll before issuing the bonds or the maximum amount specified
7 in the election order.

8 ~~E~~. F. Bonds may be in such denominations, may be in registered or
9 bearer form either as to principal or interest, or both, may mature at such
10 times not exceeding the maximum maturity specified in the election order and
11 may be subject to redemption prior to maturity, all as specified by the
12 district board or elected chief and secretary-treasurer, as appropriate, as
13 provided in subsection ~~D~~ E OF THIS SECTION. The district may engage the
14 services of a depository to administer a book entry system for the bonds.
15 The costs and expenses of such depository and any registrar or paying agent
16 for the bonds shall be deemed to be interest expenses that may also be paid
17 from the tax levy made pursuant to subsection ~~H~~ I OF THIS SECTION.

18 ~~F~~. G. Bonds shall be executed by the manual or facsimile signatures
19 of the chairman and clerk of the district board or elected chief and
20 secretary-treasurer of the district. Coupons attached to the bonds shall
21 bear the facsimile signature of the chairman of the district board or the
22 elected chief of the district, as appropriate.

23 ~~G~~. H. The district board may sell the bonds at public or private sale
24 or through an on-line bidding process. In addition, the district board may
25 negotiate loan agreements or loan repayment agreements with the greater
26 Arizona development authority in lieu of selling bonds where authority to
27 sell bonds has been granted by the district's voters. The proceeds of sale
28 on the bonds shall be deposited in an account of the fire district fund to be
29 known as the capital fund to be applied for the purpose for which the bonds
30 were issued.

31 ~~H~~. I. After the bonds are issued, the district board or elected chief
32 and secretary-treasurer, as appropriate, shall enter on the district's
33 minutes a record of the bonds sold and shall annually determine the amount of
34 the tax levy to pay the bonds and certify such amount to the board of
35 supervisors of the county. The board of supervisors shall annually cause to
36 be levied and collected a tax, at the same time and in the same manner as
37 other taxes are levied and collected upon all taxable property in the
38 district, sufficient to pay principal of and interest on the bonds as they
39 become due and payable. Monies derived from the levy of the tax when
40 collected shall be deposited in the debt service fund and shall be applied
41 only to payment of the principal of and interest on the bonds. On payment of
42 the outstanding bonded indebtedness of the district, any monies remaining in
43 the debt service fund shall be used to reduce the district's property tax
44 levy in the next fiscal year.

1 Sec. 6. Section 48-807, Arizona Revised Statutes, is amended to read:
2 48-807. County fire district assistance tax; annual budget

3 A. The board of supervisors of a county shall levy, at the time of
4 levying other property taxes, a county fire district assistance tax on the
5 taxable property in the county of not ~~to exceed~~ MORE THAN ten cents per one
6 hundred dollars of assessed valuation. The tax levy provided for in this
7 subsection shall be a levy of secondary property taxes and shall not be
8 subject to title 42, chapter 17, article 2. The county treasurer shall pay
9 to each FIRE district in the county from the proceeds of the tax an amount
10 equal to twenty per cent of the property tax levy adopted by the district,
11 EXCLUDING A FIRE DISTRICT FORMED PURSUANT TO SECTION 48-850, for the fiscal
12 year in which the tax will be levied, except that:

13 1. The amount of assistance from the county to a fire district shall
14 be reduced as follows:

15 (a) By the dollar amount that the fire district receives from the fire
16 district assistance tax that exceeds three hundred thousand dollars from and
17 after June 30 of each fiscal year.

18 (b) Except as provided in paragraph 2, if the total amount to be paid
19 to all districts in the county under this paragraph exceeds the amount to be
20 raised by the levy of ten cents per one hundred dollars assessed valuation,
21 then the county treasurer shall pay an amount less than twenty per cent of
22 the property tax levy of each district. The amount to be paid by the county
23 treasurer to each district shall be determined by multiplying the proceeds of
24 the county fire district assistance tax against the proportion that twenty
25 per cent of the property tax levy of each district bears to the total of
26 twenty per cent of the property tax levies of all fire districts in the
27 county.

28 2. For fiscal years beginning from and after July 1, 1992, the amount
29 of assistance from the county to a fire district shall not be less than the
30 assistance provided from and after June 30, 1991 through June 30, 1992, if,
31 for the fiscal year in which the tax will be levied, the district levies a
32 tax, in addition to any tax levied under section 48-806, of three dollars per
33 one hundred dollars of assessed valuation and the assessed valuation is at
34 least ninety per cent of the assessed valuation for the 1991 tax year. This
35 paragraph does not apply to fire districts subject to paragraph 1,
36 subdivision (a).

37 B. For the purpose of subsection A of this section, the property tax
38 levy of the fire district shall include in lieu contributions pursuant to
39 chapter 1, article 8 of this title but shall not include property tax levies
40 to be applied to the payment of principal and interest on bonds issued
41 pursuant to section 48-806.

42 C. Notwithstanding subsection A of this section, if two or more fire
43 districts merge to form a consolidated district, the last amount received by
44 each fire district from the fire district assistance tax prior to the merger
45 shall be combined and if the combined amount exceeds three hundred thousand

1 dollars, the consolidated district may continue to receive that amount from
2 the fire district assistance tax.

3 D. If two or more fire districts merge to form a consolidated district
4 and the total of the amounts received by each fire district from the fire
5 district assistance tax is less than three hundred thousand dollars, the
6 consolidated district may continue to receive monies until its receipts total
7 three hundred thousand dollars, as prescribed in subsection A of this
8 section.

9 E. Not more than ten days after the perfection of the organization of
10 a fire district, and thereafter not later than August 1 of each year, the
11 chief and the secretary-treasurer of the district, or if there is a district
12 board, the chairman of the board, shall submit to the board of supervisors an
13 estimate, certified by items, of the amount of money required for the
14 equipment and maintenance of the district for the ensuing year.

15 F. The board, based on the budget submitted by the district, shall
16 levy, in addition to any tax levied as provided in section 48-806, a tax not
17 to exceed three dollars twenty-five cents per one hundred dollars of assessed
18 valuation against all property situated within the district boundaries and
19 appearing ~~upon~~ ON the last assessment roll. The levy shall be made and the
20 taxes collected in the manner, at the time and by the officers provided by
21 law for the collection of general county taxes.

22 G. The county treasurer shall keep the money received from ~~such~~ taxes
23 ASSESSED PURSUANT TO SUBSECTION F OF THIS SECTION in a separate fund known as
24 the "fire district fund" of the ~~town or settlement~~ DISTRICT for which
25 collected. Any surplus remaining in the fund at the end of the fiscal year
26 shall be credited to the fire district fund of the ~~town or settlement~~
27 DISTRICT for which collected for the succeeding fiscal year.

28 H. When a fire district has adopted a budget and the board of
29 supervisors has levied a fire district tax as provided in subsection F of
30 this section and the district has insufficient money in its fund with the
31 county treasurer to operate the district, the elected chief and the
32 secretary-treasurer, or if there is a district board, the chairman of the
33 board, on or after August 1 of each year, may draw warrants for the purposes
34 prescribed in section 48-805 on the county treasurer, payable on November 1
35 of that year or on April 1 of the succeeding year. The aggregate amounts of
36 the warrants may not exceed ninety per cent of the taxes levied by the county
37 for the district's current fiscal year. If the treasurer cannot pay a
38 warrant for lack of funds in the fire district fund, the warrant shall be
39 endorsed, be registered, bear interest and be redeemed as provided by law for
40 county warrants, except that the warrants are payable only from the fire
41 district fund.

1 Sec. 7. Section 48-815, Arizona Revised Statutes, is amended to read:
2 48-815. Dissolution of fire district; disposition of claims and
3 fund balance

4 A. If a petition is filed with the governing body of the fire district
5 containing the signatures of at least ten per cent of the qualified electors
6 of the district, which asks for dissolution of the district, the governing
7 body of the district shall call an election as provided in section 48-802
8 within the district to decide whether the district shall be dissolved. The
9 words appearing upon the ballots shall be "dissolution of _____
10 fire district -- yes", "dissolution of _____ fire district
11 -- no".

12 B. The elected chief or the chairman of the district board shall
13 execute a certificate, attested by the secretary-treasurer or the clerk of
14 the district board, setting forth the results of the election of the district
15 and within five days thereafter file it with the clerk of the board of
16 supervisors. The board of supervisors at its next regular meeting shall make
17 a written order reciting the facts of the certificate and if the district is
18 dissolved list the unpaid valid claims against the district, which shall
19 thereupon be paid by the county treasurer upon warrants drawn from the money
20 available in the fire district fund. The order shall be signed and attested
21 and the original thereof filed in the office of the county recorder, and
22 recorded in the miscellaneous records.

23 C. Upon the recording thereof the fire district shall be abolished,
24 and all money remaining in such fire district fund, after the payment of all
25 valid claims against the district, shall be transferred to the general fund
26 of the county, but if all of the fire district has been included within the
27 corporate limits of a city or town, then, upon disbanding as provided by this
28 section, the equipment, assets and liabilities of the district shall be
29 transferred to such city or town.

30 D. Taxes shall continue to be levied as provided in section 48-806,
31 subsection ~~H~~ I on all the taxable property within the formal boundaries of
32 the district to pay the principal or any interest on outstanding bonds of the
33 district.

34 Sec. 8. Section 48-820, Arizona Revised Statutes, is amended to read:
35 48-820. Election to merge fire districts; notice; hearing;
36 approval; joint meeting; merged district board

37 A. Except as provided in subsection I OF THIS SECTION, the board of
38 supervisors shall make an order calling for an election to decide whether to
39 merge fire districts when a resolution for merger from each district is
40 submitted to the board. The board of supervisors shall not make an order
41 calling for an election to merge fire districts more frequently than once
42 every two years. Whether or not the districts are merged, the fire districts
43 shall reimburse the counties for the expenses of the election, including the
44 cost of mailing any notices required pursuant to this section. If the
45 proposed district is located in more than one county, the resolutions shall

1 be submitted to the board of supervisors of the county in which the majority
2 of the assessed valuation of the proposed district is located. The words
3 appearing on the ballot shall be "(insert fire districts' names) merge as a
4 fire district--yes" and "(insert fire districts' names) merge as fire
5 district--no."

6 B. Within fourteen days after the election, the board of supervisors
7 shall meet and canvass the returns, and if it is determined that a majority
8 of the votes cast at the election in each of the affected districts is in
9 favor of merging the fire districts, the board shall enter that fact on its
10 minutes.

11 C. EXCEPT AS PRESCRIBED IN SUBSECTION D OF THIS SECTION, two or more
12 fire districts may merge if the governing body of each affected fire
13 district, by a majority vote of the members of each governing body, adopts a
14 resolution declaring that a merger be considered and a public hearing be held
15 to determine if a merger would be in the best interests of the district and
16 would promote public health, comfort, convenience, necessity or welfare.
17 After each district adopts such a resolution, the governing body by first
18 class mail shall send written notice of the resolution, its purpose and
19 notice of the day, hour and place of a hearing on the proposed merger to each
20 owner of taxable property within the boundaries of the district. The notice
21 shall contain the name and description of the boundaries of each district
22 proposed to be merged and a detailed, accurate map of the area to be included
23 in the merger. No new territory may be included as a result of the merger.

24 D. A NONCONTIGUOUS COUNTY ISLAND FIRE DISTRICT FORMED PURSUANT TO
25 SECTION 48-850 SHALL NOT MERGE WITH A FIRE DISTRICT FORMED PURSUANT TO
26 SECTION 48-261 OR WITH ANOTHER NONCONTIGUOUS COUNTY ISLAND FIRE DISTRICT
27 FORMED PURSUANT TO SECTION 48-850.

28 ~~D.~~ E. The clerk of the governing body shall post notice in at least
29 three conspicuous public places in the district and shall also publish notice
30 twice in a daily newspaper of general circulation in the county in which the
31 district is located, at least ten days before the public hearing. The clerk
32 of each governing body affected by the proposed merger shall also mail notice
33 and a copy of the resolution in support of the merger to the chairman of the
34 board of supervisors of the county or counties in which the affected
35 districts are located. The chairman of the board of supervisors shall order
36 a review of the proposed merger and shall submit written comments to the
37 governing body of each fire district located in that county within ten days
38 after receipt of the notice.

39 ~~E.~~ F. At the hearing, the governing body of the district shall
40 consider the comments of the board of supervisors, hear those persons who
41 appear for or against the proposed merger and determine whether the proposed
42 merger will promote public health, comfort, convenience, necessity or
43 welfare. If, after the public hearing each of the governing bodies of the
44 districts affected by the proposed merger adopt a resolution by a
45 three-fourths vote that the merger will promote public health, comfort,

1 convenience, necessity or welfare, each of the governing bodies of the
2 districts affected by the proposed merger shall submit the resolutions to the
3 board of supervisors.

4 ~~F.~~ G. Before considering any resolution of merger pursuant to this
5 section, a governing body shall obtain written consent to the merger from any
6 single taxpayer residing within each of the affected districts who owns
7 thirty per cent or more of the net assessed valuation of the total net
8 assessed valuation of the district. If written consent contemplated by this
9 subsection is not obtained, then the provisions of subsections A and B apply,
10 and the merger may only be accomplished by election.

11 ~~G.~~ H. If the proposal for merger is approved as provided by
12 subsection B OF THIS SECTION, the governing body of the affected district
13 with the largest population within thirty days shall call a joint meeting of
14 the governing bodies of all of the affected districts. At the joint meeting,
15 a majority of the members of the governing body of each affected district
16 constitutes a quorum for the purpose of transacting business. The members of
17 the governing body shall appoint a total of five persons from those currently
18 serving on the governing bodies who shall complete their regular terms of
19 office, except that no more than three of the persons appointed may serve
20 terms that end in the same year. No more than three members shall be
21 appointed from the same fire district board. Subsequent terms of office for
22 district board members shall be filled by election of board members who shall
23 be qualified electors of the merged district.

24 ~~H.~~ I. The appointed governing body shall immediately meet and
25 organize itself and elect from its members a chairman and a clerk. The
26 appointed board by resolution shall declare the districts merged and each
27 affected district joined. The governing board by resolution shall declare
28 the name of the newly merged fire district. The resolution and the names of
29 the new board members for the newly organized district shall be sent to the
30 board of supervisors, and the merger shall be deemed completed thirty days
31 after the adoption of the resolution.

32 ~~I.~~ J. If the requirements of subsection ~~F.~~ G OF THIS SECTION are met
33 and each of the governing body votes required by subsections C and ~~E.~~ F OF
34 THIS SECTION are unanimous, then subsections A and B OF THIS SECTION shall
35 not apply.

36 Sec. 9. Section 48-822, Arizona Revised Statutes, is amended to read:

37 48-822. Election to consolidate fire districts; resolution;
38 impact statement; hearing

39 A. Except as provided in subsection ~~D.~~ E of this section, the board of
40 supervisors shall make an order calling for an election to decide whether to
41 consolidate fire districts when a resolution for consolidation of fire
42 districts from the requesting district is submitted to the board. The board
43 of supervisors shall not make an order calling for an election to consolidate
44 fire districts more frequently than once every two years. Whether or not the
45 districts are consolidated, the fire districts shall reimburse the counties

1 for the expenses of the election, including the cost of mailing any notices.
2 If the proposed district is located in more than one county, the resolutions
3 shall be submitted to the board of supervisors of the county in which the
4 majority of the assessed valuation of the proposed district is located. The
5 words appearing on the ballot shall be "(insert fire districts' names)
6 consolidate as a fire district--yes" and "(insert fire districts' names)
7 consolidate as fire district--no."

8 B. Within fourteen days after the election, the board of supervisors
9 shall meet and canvass the returns, and if it is determined that a majority
10 of the votes cast at the election in each of the affected districts is in
11 favor of consolidating the fire districts, the board shall enter that fact on
12 its minutes.

13 C. EXCEPT AS PROSCRIBED BY SUBSECTION D OF THIS SECTION, a fire
14 district may consolidate with one or more other fire districts formed
15 pursuant to section 48-261 as follows:

16 1. A resolution requesting the consolidation of one fire district is
17 passed by a majority vote of the governing body requesting consolidation into
18 another fire district. The requesting district shall send by first class
19 mail the notice of request to consolidate districts to the fire district in
20 which the consolidation is requested.

21 2. On receipt of the resolution requesting consolidation, and on
22 approval by majority vote of the governing body receiving the request, the
23 fire districts by mutual agreement shall prepare a consolidation impact
24 statement that includes the following:

25 (a) A legal description of the boundaries of the proposed consolidated
26 district and a detailed, accurate map of the area to be included in the
27 consolidated district. No new territory may be included as a result of a
28 district consolidation.

29 (b) An estimate of the assessed valuation in the proposed consolidated
30 district.

31 (c) An estimate of the change in the property tax liability of a
32 typical resident of the proposed consolidated district as a result of the
33 proposed consolidated district.

34 (d) A list and explanation of benefits that will result from the
35 proposed consolidated district.

36 (e) A list and explanation of the injuries that will result from the
37 proposed consolidated district.

38 3. On completion of the consolidation impact statement, the governing
39 body of each fire district shall set a day for a hearing on the impact
40 statement that is not fewer than sixty nor more than ninety days after the
41 date of the completion and approval of the consolidation impact statement.
42 The district governing bodies at any time before making a determination
43 pursuant to paragraph ~~4~~ 5 of this subsection may require that the impact
44 statement be amended to include any information that the board deems to be
45 relevant and necessary.

1 4. On setting the date for hearing on the consolidated district impact
2 statement, the clerk of each governing body shall send by first class mail
3 written notice of the statement, its purpose and notice of the day, hour and
4 place of the hearing on the proposed consolidated district to each owner of
5 taxable property within the boundaries of the respective fire districts. At
6 least ten days before the hearing, the clerk of each governing body shall
7 post the notice in at least three conspicuous public places in the respective
8 districts and shall publish notice twice in a daily newspaper of general
9 circulation in the area of the proposed consolidated district.

10 5. At the hearing called pursuant to paragraph 3 of this subsection,
11 the governing body shall hear those persons who appear for and against the
12 proposed consolidated district and shall determine whether the creation of
13 the district will promote public health, comfort, convenience, necessity or
14 welfare. If the governing body of each district determines that the public
15 health, comfort, convenience, necessity or welfare will be promoted, it shall
16 approve the consolidated district impact statement.

17 6. Within fifteen days after the approval of the board as prescribed
18 by paragraph 5 of this subsection, the clerk of the board of the district
19 requesting consolidation shall send by first class mail notice of the
20 approval to the fire district in which the consolidation is requested.

21 7. After receiving the approval of the requesting governing body to
22 consolidate districts as provided in paragraph 6 of this subsection, the
23 governing body of the district into which consolidation was requested shall
24 set a day for a hearing on the consolidation of the districts. The hearing
25 shall be held not fewer than thirty nor more than sixty days after the date
26 of the approval by the requesting governing body.

27 8. At the hearing called pursuant to paragraph 7 of this subsection,
28 the governing body shall determine if the creation of the consolidated
29 district will promote public health, comfort, convenience, necessity or
30 welfare. If the governing body of the district determines that the public
31 health, comfort, convenience, necessity or welfare will be promoted, it shall
32 by resolution declare the districts consolidated and each affected district
33 joined.

34 9. The governing body shall submit the resolution of consolidation to
35 the board of supervisors.

36 10. Those persons currently serving as the governing body of the
37 district into which consolidation was requested shall serve as the governing
38 body of the newly consolidated district and complete their regular terms of
39 office. The newly consolidated district governing body shall consist of at
40 least five members.

41 11. If the consolidation results in a new district population that is
42 greater than fifty thousand persons, the new governing board may appoint an
43 additional two members to serve until the next general election at which time
44 the newly elected member with the highest number of votes serves a four year

1 term and the other member serves a two year term. Thereafter, the term of
2 office for these two new members is four years.

3 12. The governing body by resolution shall declare the name of the
4 newly consolidated fire district.

5 13. If a newly consolidated fire district has a combined population
6 that exceeds fifty thousand persons, the governing body of the newly
7 consolidated fire district by resolution may declare the name of the newly
8 consolidated fire district to include within the name the title of fire
9 authority.

10 14. If a proposed consolidated district would include property located
11 in an incorporated city or town, in addition to the other requirements of
12 this section, the governing body of the district shall approve the creation
13 of the consolidated district only if the governing body of the city or town
14 endorses the creation by ordinance or resolution.

15 15. Before considering any resolution of consolidation pursuant to this
16 section, a governing body shall obtain written consent to the consolidation
17 from any single taxpayer residing within each of the affected districts who
18 owns thirty per cent or more of the net assessed valuation of the total net
19 assessed valuation of the district.

20 D. A NONCONTIGUOUS COUNTY ISLAND FIRE DISTRICT FORMED PURSUANT TO
21 SECTION 48-850 SHALL NOT CONSOLIDATE WITH A FIRE DISTRICT FORMED PURSUANT TO
22 SECTION 48-261 OR WITH ANOTHER NONCONTIGUOUS COUNTY ISLAND FIRE DISTRICT
23 FORMED PURSUANT TO SECTION 48-850.

24 ~~D-~~ E. If the requirements of subsection C, paragraph 15 of this
25 section are met and each of the governing body votes required by this section
26 are unanimous, ~~then~~ subsections A and B of this section shall not apply.

27 Sec. 10. Title 48, chapter 5, Arizona Revised Statutes, is amended by
28 adding article 3, to read:

29 ARTICLE 3. NONCONTIGUOUS COUNTY ISLAND FIRE DISTRICTS

30 48-850. Noncontiguous county island fire district; creation;
31 definitions

32 A. A NONCONTIGUOUS COUNTY ISLAND FIRE DISTRICT AS DEFINED IN THIS
33 ARTICLE SHALL BE CREATED BY THE FOLLOWING PROCEDURES:

34 1. ANY ADULT PERSON RESIDING IN A NONCONTIGUOUS COUNTY ISLAND WITHIN A
35 MUNICIPALITY'S GENERAL PLAN AREA WHO DESIRES TO PROPOSE CREATION OF A
36 DISTRICT FOR THAT MUNICIPALITY'S GENERAL PLAN AREA SHALL PREPARE AND SUBMIT A
37 DISTRICT IMPACT STATEMENT TO THE BOARD OF SUPERVISORS OF THE COUNTY IN WHICH
38 THE DISTRICT IS TO BE LOCATED. ONLY ONE DISTRICT MAY BE PROPOSED FOR A
39 MUNICIPALITY'S GENERAL PLAN AREA. IF A PROPOSED DISTRICT IS LOCATED IN MORE
40 THAN ONE COUNTY, THE IMPACT STATEMENT SHALL BE SUBMITTED TO THE BOARD OF
41 SUPERVISORS OF THE COUNTY IN WHICH THE MAJORITY OF THE ASSESSED VALUATION OF
42 THE PROPOSED DISTRICT IS LOCATED. THE BOARD OF SUPERVISORS OF ANY OTHER
43 COUNTY IN WHICH A PORTION OF THE DISTRICT IS TO BE LOCATED SHALL PROVIDE
44 INFORMATION AND ASSISTANCE TO THE RESPONSIBLE BOARD OF SUPERVISORS. THE
45 IMPACT STATEMENT SHALL BE SUBMITTED TO THE BOARD OF SUPERVISORS FOR EACH OF

1 THE AFFECTED COUNTIES. IF THE PERSON DESIRING TO CREATE A DISTRICT PURSUANT
2 TO THIS SECTION IS UNABLE TO COMPLETE THE DISTRICT IMPACT STATEMENT, THE
3 BOARD OF SUPERVISORS MAY ASSIST IN THE COMPLETION OF THE IMPACT STATEMENT IF
4 REQUESTED TO DO SO, PROVIDED THE BOND REQUIRED IN SUBSECTION C OF THIS
5 SECTION IS IN AN AMOUNT SUFFICIENT TO COVER ANY ADDITIONAL COST TO THE
6 COUNTY. THE DISTRICT IMPACT STATEMENT SHALL CONTAIN AT LEAST THE FOLLOWING
7 INFORMATION:

8 (a) A LEGAL DESCRIPTION OF THE BOUNDARIES OF THE PROPOSED DISTRICT AND
9 A DETAILED, ACCURATE MAP OF THE AREAS TO BE INCLUDED IN THE DISTRICT.

10 (b) AN ESTIMATE OF THE ASSESSED VALUATION WITHIN THE PROPOSED
11 DISTRICT.

12 (c) AN ESTIMATE OF THE CHANGE IN THE PROPERTY TAX LIABILITY, AS A
13 RESULT OF THE PROPOSED DISTRICT, OF A TYPICAL RESIDENT OF THE PROPOSED
14 DISTRICT.

15 (d) A LIST AND EXPLANATION OF BENEFITS THAT WILL RESULT FROM THE
16 PROPOSED DISTRICT.

17 (e) A LIST AND EXPLANATION OF THE INJURIES THAT WILL RESULT FROM THE
18 PROPOSED DISTRICT.

19 (f) THE NAMES, ADDRESSES AND OCCUPATIONS OF THE PROPOSED MEMBERS OF
20 THE DISTRICT'S ORGANIZING BOARD OF DIRECTORS.

21 (g) A DESCRIPTION OF THE SCOPE OF SERVICES TO BE PROVIDED BY THE
22 DISTRICT DURING ITS FIRST FIVE YEARS OF OPERATION.

23 2. ON RECEIPT OF THE DISTRICT IMPACT STATEMENT, THE BOARD OF
24 SUPERVISORS SHALL SET A DAY, NOT FEWER THAN THIRTY NOR MORE THAN SIXTY DAYS
25 FROM THAT DATE, FOR A HEARING ON THE IMPACT STATEMENT. THE BOARD OF
26 SUPERVISORS, AT ANY TIME PRIOR TO MAKING A DETERMINATION PURSUANT TO
27 PARAGRAPH 4 OF THIS SUBSECTION, MAY REQUIRE THAT THE IMPACT STATEMENT BE
28 AMENDED TO INCLUDE ANY INFORMATION THAT THE BOARD OF SUPERVISORS DEEMS
29 RELEVANT AND NECESSARY.

30 3. ON RECEIPT OF THE DISTRICT IMPACT STATEMENT, THE CLERK OF THE BOARD
31 OF SUPERVISORS SHALL MAIL, BY FIRST CLASS MAIL, WRITTEN NOTICE OF THE
32 STATEMENT, ITS PURPOSE AND NOTICE OF THE DAY, HOUR AND PLACE OF THE HEARING
33 ON THE PROPOSED DISTRICT TO EACH OWNER OF TAXABLE PROPERTY AND TO EACH
34 HOUSEHOLD IN WHICH A QUALIFIED ELECTOR RESIDES WITHIN THE BOUNDARIES OF THE
35 PROPOSED DISTRICT. THE CLERK OF THE BOARD OF SUPERVISORS SHALL POST THE
36 NOTICE IN AT LEAST THREE CONSPICUOUS PUBLIC PLACES IN THE AREA OF THE
37 PROPOSED DISTRICT AND SHALL PUBLISH TWICE IN A DAILY NEWSPAPER OF GENERAL
38 CIRCULATION IN THE AREA OF THE PROPOSED DISTRICT, AT LEAST TEN DAYS BEFORE
39 THE HEARING, OR, IF NO DAILY NEWSPAPER OF GENERAL CIRCULATION EXISTS IN THE
40 AREA OF THE PROPOSED DISTRICT, THEN AT LEAST TWICE AT ANY TIME BEFORE THE
41 DATE OF THE HEARING, A NOTICE SETTING FORTH THE PURPOSE OF THE IMPACT
42 STATEMENT, THE DESCRIPTION OF THE AREA OF THE PROPOSED DISTRICT AND THE DAY,
43 HOUR AND PLACE OF THE HEARING.

44 4. AT THE HEARING CALLED PURSUANT TO PARAGRAPH 2 OF THIS SUBSECTION,
45 THE BOARD OF SUPERVISORS SHALL HEAR THOSE WHO APPEAR FOR AND AGAINST THE

1 PROPOSED DISTRICT AND SHALL DETERMINE WHETHER THE CREATION OF THE DISTRICT
2 WILL PROMOTE PUBLIC HEALTH, COMFORT, CONVENIENCE, NECESSITY OR WELFARE. IF
3 THE BOARD OF SUPERVISORS DETERMINES THAT THE PUBLIC HEALTH, COMFORT,
4 CONVENIENCE, NECESSITY OR WELFARE WILL BE PROMOTED, IT SHALL APPROVE THE
5 DISTRICT IMPACT STATEMENT AND AUTHORIZE THE PERSONS PROPOSING THE DISTRICT TO
6 CIRCULATE PETITIONS AS PROVIDED IN THIS SUBSECTION. THE ORDER OF THE BOARD
7 OF SUPERVISORS SHALL BE FINAL, BUT IF THE REQUEST TO CIRCULATE PETITIONS IS
8 DENIED, A SUBSEQUENT REQUEST FOR A SIMILAR DISTRICT MAY BE REFILED WITH THE
9 BOARD OF SUPERVISORS AFTER SIX MONTHS FROM THE DATE OF THE DENIAL.

10 5. WITHIN FIFTEEN DAYS AFTER RECEIVING THE APPROVAL OF THE BOARD OF
11 SUPERVISORS AS PRESCRIBED BY PARAGRAPH 4 OF THIS SUBSECTION, THE CLERK OF THE
12 BOARD SHALL DETERMINE THE MINIMUM NUMBER OF SIGNATURES REQUIRED FOR
13 COMPLIANCE WITH PARAGRAPH 7, SUBDIVISIONS (b) AND (c) OF THIS SUBSECTION.
14 AFTER MAKING THAT DETERMINATION, THAT NUMBER OF SIGNATURES SHALL REMAIN
15 FIXED, NOTWITHSTANDING ANY SUBSEQUENT CHANGES IN VOTER REGISTRATION RECORDS.

16 6. AFTER RECEIVING THE APPROVAL OF THE BOARD OF SUPERVISORS AS
17 PROVIDED IN PARAGRAPH 4 OF THIS SUBSECTION, ANY ADULT PERSON MAY CIRCULATE
18 AND PRESENT PETITIONS TO THE BOARD OF SUPERVISORS OF THE COUNTY IN WHICH THE
19 DISTRICT IS LOCATED. ALL PETITIONS CIRCULATED SHALL BE RETURNED TO THE BOARD
20 OF SUPERVISORS WITHIN ONE YEAR FROM THE DATE OF THE APPROVAL OF THE BOARD OF
21 SUPERVISORS PURSUANT TO PARAGRAPH 4 OF THIS SUBSECTION. ANY PETITION THAT IS
22 RETURNED MORE THAN ONE YEAR FROM THAT DATE IS VOID.

23 7. THE PETITIONS PRESENTED PURSUANT TO PARAGRAPH 6 OF THIS SUBSECTION
24 SHALL COMPLY WITH THE PROVISIONS REGARDING PETITION FORM IN SECTION 48-265
25 AND VERIFICATION IN SECTION 48-266 AND SHALL:

26 (a) AT ALL TIMES, CONTAIN A LEGAL DESCRIPTION OF THE BOUNDARIES OF THE
27 PROPOSED DISTRICT AND A DETAILED, ACCURATE MAP OF THE PROPOSED DISTRICT AND
28 THE NAMES, ADDRESSES AND OCCUPATIONS OF THE PROPOSED MEMBERS OF THE
29 DISTRICT'S ORGANIZING BOARD OF DIRECTORS. NO ALTERATION OF THE PROPOSED
30 DISTRICT SHALL BE MADE AFTER RECEIVING THE APPROVAL OF THE BOARD OF
31 SUPERVISORS AS PROVIDED IN PARAGRAPH 4 OF THIS SUBSECTION.

32 (b) BE SIGNED BY MORE THAN ONE-HALF OF THE PROPERTY OWNERS IN THE
33 PROPOSED DISTRICT AND BE SIGNED BY PERSONS OWNING COLLECTIVELY MORE THAN
34 ONE-HALF OF THE ASSESSED VALUATION OF PROPERTY IN THE PROPOSED DISTRICT.

35 (c) IF A PETITION OF QUALIFIED ELECTORS, BE SIGNED BY MORE THAN
36 ONE-HALF OF THE QUALIFIED ELECTORS WITHIN THE BOUNDARIES OF THE PROPOSED
37 DISTRICT.

38 8. ON RECEIPT OF THE PETITIONS, THE BOARD OF SUPERVISORS SHALL SET A
39 DAY, NOT FEWER THAN TEN NOR MORE THAN THIRTY DAYS FROM THAT DATE, FOR A
40 HEARING ON THE PETITION.

41 9. PRIOR TO THE HEARING CALLED PURSUANT TO PARAGRAPH 8 OF THIS
42 SUBSECTION, THE BOARD OF SUPERVISORS SHALL DETERMINE THE VALIDITY OF THE
43 PETITIONS PRESENTED. AT THE HEARING CALLED PURSUANT TO PARAGRAPH 8 OF THIS
44 SUBSECTION, THE BOARD OF SUPERVISORS, IF THE PETITIONS ARE VALID, SHALL ORDER
45 THE CREATION OF THE DISTRICT. THE BOARD OF SUPERVISORS SHALL ENTER ITS ORDER

1 SETTING FORTH ITS DETERMINATION IN THE MINUTES OF THE MEETING, NOT LATER THAN
2 TEN DAYS FROM THE DAY OF THE HEARING, AND A COPY OF THE ORDER SHALL BE FILED
3 IN THE COUNTY RECORDER'S OFFICE. THE ORDER OF THE BOARD OF SUPERVISORS SHALL
4 BE FINAL, AND THE PROPOSED DISTRICT IS CREATED THIRTY DAYS AFTER THE BOARD OF
5 SUPERVISORS VOTES TO CREATE THE DISTRICT. A DECISION OF THE BOARD OF
6 SUPERVISORS UNDER THIS SUBSECTION IS SUBJECT TO JUDICIAL REVIEW UNDER TITLE
7 12, CHAPTER 7, ARTICLE 6.

8 B. FOR THE PURPOSE OF DETERMINING THE VALIDITY OF THE PETITIONS
9 PRESENTED PURSUANT TO SUBSECTION A, PARAGRAPH 6 OF THIS SECTION:

10 1. QUALIFIED ELECTORS SHALL BE THOSE PERSONS QUALIFIED TO VOTE
11 PURSUANT TO TITLE 16.

12 2. PROPERTY HELD IN MULTIPLE OWNERSHIP SHALL BE TREATED AS IF IT HAD
13 ONLY ONE PROPERTY OWNER, SO THAT THE SIGNATURE OF ONLY ONE OF THE OWNERS OF
14 PROPERTY HELD IN MULTIPLE OWNERSHIP IS REQUIRED ON THE FORMATION PETITION.

15 3. THE VALUE OF PROPERTY SHALL BE DETERMINED AS FOLLOWS:

16 (a) IN THE CASE OF PROPERTY ASSESSED BY THE COUNTY ASSESSOR, VALUES
17 SHALL BE THE SAME AS THOSE SHOWN ON THE LAST ASSESSMENT ROLL OF THE COUNTY
18 CONTAINING THE PROPERTY.

19 (b) IN THE CASE OF PROPERTY VALUED BY THE DEPARTMENT OF REVENUE, THE
20 VALUES SHALL BE THOSE DETERMINED BY THE DEPARTMENT IN THE MANNER PROVIDED BY
21 LAW, FOR MUNICIPAL ASSESSMENT PURPOSES. THE COUNTY ASSESSOR AND THE
22 DEPARTMENT OF REVENUE, RESPECTIVELY, SHALL FURNISH TO THE BOARD OF
23 SUPERVISORS, WITHIN TWENTY DAYS AFTER A REQUEST, A STATEMENT IN WRITING
24 SHOWING THE OWNER, THE ADDRESS OF EACH OWNER AND THE APPRAISAL OR ASSESSMENT
25 VALUE OF PROPERTIES CONTAINED WITHIN THE BOUNDARIES OF THE PROPOSED DISTRICT
26 AS DESCRIBED IN SUBSECTION A OF THIS SECTION.

27 C. THE BOARD OF SUPERVISORS MAY REQUIRE THE PERSON DESIRING TO PROPOSE
28 CREATION OF A DISTRICT PURSUANT TO SUBSECTION A, PARAGRAPH 1 OF THIS SECTION
29 TO POST A REASONABLE BOND WITH THE BOARD AT THE START OF PROCEEDINGS UNDER
30 THIS SECTION. THE BOND SHALL BE IN AN AMOUNT SUFFICIENT TO COVER COSTS
31 INCURRED BY THE COUNTY IF THE DISTRICT IS NOT FINALLY ORGANIZED. COUNTY
32 COSTS COVERED BY THE BOND INCLUDE ANY EXPENSE INCURRED FROM COMPLETION OF THE
33 DISTRICT IMPACT STATEMENT, MAILING OF THE NOTICE OF HEARING TO DISTRICT
34 PROPERTY OWNERS AND ELECTORS, PUBLICATION OF THE NOTICE OF HEARING AND OTHER
35 EXPENSES REASONABLY INCURRED AS A RESULT OF ANY REQUIREMENTS OF THIS SECTION.

36 D. IF A DISTRICT IS CREATED PURSUANT TO THIS SECTION, THE COST OF
37 PUBLICATION OF THE NOTICE OF HEARING, THE MAILING OF NOTICES TO ELECTORS AND
38 PROPERTY OWNERS AND ALL OTHER COSTS INCURRED BY THE COUNTY AS A RESULT OF
39 THIS SECTION SHALL BE A CHARGE AGAINST THE DISTRICT.

40 E. A DISTRICT ORGANIZED PURSUANT TO THIS SECTION SHALL HAVE AN
41 ORGANIZING BOARD OF DIRECTORS TO ADMINISTER THE AFFAIRS OF THE DISTRICT UNTIL
42 A DULY CONSTITUTED BOARD OF DIRECTORS IS ELECTED AS PROVIDED IN THIS TITLE.
43 THE ORGANIZING BOARD SHALL HAVE ALL THE POWERS, DUTIES AND RESPONSIBILITIES
44 OF AN ELECTED BOARD. THE ORGANIZING BOARD SHALL CONSIST OF THE THREE
45 INDIVIDUALS NAMED IN THE DISTRICT IMPACT STATEMENT AND THE PETITIONS

1 PRESENTED PURSUANT TO SUBSECTION A OF THIS SECTION. IF A VACANCY OCCURS ON
2 THE ORGANIZING BOARD, THE REMAINING BOARD MEMBERS SHALL FILL THE VACANCY BY
3 APPOINTING AN INTERIM MEMBER. MEMBERS OF THE ORGANIZING BOARD SHALL SERVE
4 WITHOUT COMPENSATION BUT MAY BE REIMBURSED FOR ACTUAL EXPENSES INCURRED IN
5 PERFORMING THEIR DUTIES. THE ORGANIZING BOARD SHALL ELECT FROM ITS MEMBERS A
6 CHAIRPERSON AND A CLERK.

7 F. FOR THE PURPOSES OF THIS SECTION, ASSESSED VALUATION DOES NOT
8 INCLUDE THE ASSESSED VALUATION OF PROPERTY THAT IS OWNED BY A COUNTY, THIS
9 STATE OR THE UNITED STATES GOVERNMENT AND IN THE CASE OF MULTIPLE OWNERSHIP
10 OF A SINGLE PARCEL OF PROPERTY, ANY ONE PROPERTY OWNER CONSTITUTES THE ENTIRE
11 OWNERSHIP INTEREST.

12 G. FOR THE PURPOSES OF THIS ARTICLE:

13 1. "COUNTY ISLAND" HAS THE SAME MEANING AS PRESCRIBED IN SECTION
14 11-251.12.

15 2. "NONCONTIGUOUS COUNTY ISLAND FIRE DISTRICT" MEANS A DISTRICT FORMED
16 UNDER SECTION 48-850 IN A COUNTY WITH A POPULATION OF AT LEAST ONE MILLION
17 FIVE HUNDRED THOUSAND PERSONS FOR WHICH FIRE PROTECTION AND EMERGENCY MEDICAL
18 SERVICES ARE NOT FUNDED BY SECTION 48-807 OR FOR WHICH FIRE PROTECTION AND
19 EMERGENCY MEDICAL SERVICES ARE NOT PROVIDED AND NOT UNDER CONTRACT FOR FIRE
20 PROTECTION AND EMERGENCY MEDICAL SERVICES FROM AND AFTER JUNE 30, 2006. A
21 NONCONTIGUOUS COUNTY ISLAND FIRE DISTRICT SHALL CONSIST OF ONLY NONCONTIGUOUS
22 COUNTY ISLANDS WITHIN A MUNICIPALITY'S GENERAL PLAN AREA.

23 48-851. District board governance; elections

24 A. A FIRE DISTRICT CREATED UNDER THIS ARTICLE SHALL BE GOVERNED BY A
25 FIVE MEMBER ELECTED BOARD, BUT SHALL BE GOVERNED INITIALLY BY A BOARD
26 APPOINTED BY THE COUNTY BOARD OF SUPERVISORS FROM AMONG QUALIFIED ELECTORS OF
27 THE PROPOSED COUNTY ISLAND FIRE DISTRICT. THE INITIAL APPOINTED BOARD SHALL
28 SCHEDULE AN ELECTION TO BE HELD ON THE NEXT GENERAL ELECTION DATE AS
29 PRESCRIBED BY SECTION 16-211. THE ELECTION SHALL BE HELD AS OTHERWISE
30 PROVIDED BY LAW.

31 B. IF A VACANCY OCCURS ON THE DISTRICT BOARD OTHER THAN FROM
32 EXPIRATION OF A TERM, THE REMAINING BOARD MEMBERS SHALL FILL THE VACANCY BY
33 APPOINTMENT OF AN INTERIM MEMBER. IF THE ENTIRE BOARD RESIGNS OR FOR ANY
34 REASON CANNOT FULFILL ITS DUTIES, THE BOARD OF SUPERVISORS SHALL APPOINT AN
35 ADMINISTRATOR TO ADMINISTER THE DISTRICT WITH THE SAME DUTIES AND OBLIGATIONS
36 OF THE ELECTED BOARD. IF THE BOARD OF SUPERVISORS FAILS TO APPOINT AN
37 ADMINISTRATOR WITHIN THIRTY DAYS, A SPECIAL ELECTION SHALL BE HELD TO FILL
38 THE VACANCIES ON THE FIRE DISTRICT BOARD.

39 C. MEMBERS OF THE DISTRICT BOARD SHALL SERVE WITHOUT COMPENSATION, BUT
40 MAY BE REIMBURSED FOR ACTUAL EXPENSES INCURRED IN PERFORMING DUTIES REQUIRED
41 BY LAW.

42 D. THE DISTRICT BOARD SHALL ELECT FROM ITS MEMBERS A CHAIRPERSON AND A
43 CLERK.

44 E. OF THE MEMBERS FIRST ELECTED TO THE DISTRICT BOARD, THE THREE
45 PEOPLE RECEIVING THE FIRST, SECOND AND THIRD HIGHEST NUMBER OF VOTES SHALL BE

1 ELECTED TO FOUR YEAR TERMS, AND THE TWO PEOPLE RECEIVING THE FOURTH AND FIFTH
2 HIGHEST NUMBER OF VOTES SHALL BE ELECTED TO TWO YEAR TERMS. THEREAFTER, THE
3 TERM OF OFFICE OF EACH DISTRICT BOARD MEMBER SHALL BE FOUR YEARS FROM THE
4 FIRST DAY OF THE MONTH NEXT FOLLOWING SUCH MEMBER'S ELECTION.

5 48-852. District board: powers and duties; intergovernmental
6 agreements; contract; administration; dissolution;
7 definition

8 A. A FIRE DISTRICT, THROUGH ITS BOARD SHALL:

9 1. HOLD PUBLIC MEETINGS AT LEAST ONCE EACH CALENDAR MONTH.

10 2. PREPARE AN ANNUAL BUDGET CONTAINING DETAILED ESTIMATED EXPENDITURES
11 FOR EACH FISCAL YEAR THAT SHALL CLEARLY SHOW EXPENSES OF THE DISTRICT. THE
12 BUDGET SHALL BE POSTED IN THREE PUBLIC PLACES AND PUBLISHED IN A NEWSPAPER OF
13 GENERAL CIRCULATION IN THE DISTRICT THIRTY DAYS PRIOR TO A PUBLIC HEARING AT
14 A MEETING CALLED BY THE BOARD OR FIRE CHIEF TO ADOPT THE BUDGET. COPIES OF
15 THE BUDGET SHALL ALSO BE AVAILABLE TO MEMBERS OF THE PUBLIC ON WRITTEN
16 REQUEST TO THE DISTRICT. FOLLOWING THE PUBLIC HEARING, THE DISTRICT BOARD
17 SHALL ADOPT A BUDGET.

18 3. APPOINT THE FIRE CHIEF OF THE FIRE SERVICE PROVIDER SELECTED
19 PURSUANT TO PARAGRAPH 6 OF THIS SUBSECTION, EITHER PUBLIC OR PRIVATE, AS THE
20 FIRE CHIEF FOR THE DISTRICT.

21 4. ADOPT THE FIRE CODE OF THE MUNICIPALITY WHOSE MUNICIPALITY'S
22 GENERAL PLAN AREA INCLUDES THE DISTRICT. FOR CONSTRUCTION THAT IS STARTED
23 AFTER A NONCONTIGUOUS COUNTY ISLAND FIRE DISTRICT IS FORMED PURSUANT TO THIS
24 ARTICLE, THE FIRE DISTRICT SHALL IMPLEMENT AND ENFORCE THE MUNICIPALITY'S
25 FIRE CODE. FOR CONSTRUCTION THAT IS STARTED BEFORE A NONCONTIGUOUS COUNTY
26 ISLAND FIRE DISTRICT IS FORMED PURSUANT TO THIS ARTICLE, THE FIRE DISTRICT
27 SHALL ENFORCE THE COUNTY FIRE CODE.

28 5. KEEP THREE COPIES OF THE APPLICABLE FIRE CODE, AMENDMENTS AND
29 REVISIONS ON FILE FOR PUBLIC INSPECTION.

30 6. ACT WITHIN SIXTY DAYS AFTER THE FORMATION OF THE DISTRICT AS
31 FOLLOWS:

32 (a) ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH A MUNICIPAL
33 PROVIDER FOR FIRE PROTECTION SERVICES FOR THE DISTRICT. A MUNICIPAL PROVIDER
34 SEEKING TO ENTER INTO AN AGREEMENT WITH THE DISTRICT SHALL MAKE A FORMAL
35 EXPRESSION OF INTENT TO ENTER INTO AN AGREEMENT WITH THE DISTRICT WITHIN
36 TWENTY-ONE DAYS OF DISTRICT FORMATION.

37 (b) IF A MUNICIPAL PROVIDER DOES NOT EXPRESS AN INTENT TO ENTER INTO
38 AN INTERGOVERNMENTAL AGREEMENT UNDER SUBSECTION A OF THIS SECTION, THEN THE
39 DISTRICT SHALL ISSUE A REQUEST FOR PROPOSALS FOR NON-MUNICIPAL PRIVATE
40 PROVIDERS OF FIRE PROTECTION SERVICES OR FIRE DISTRICTS FORMED UNDER SECTION
41 48-261.

42 7. ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH ANOTHER POLITICAL
43 SUBDIVISION OR SERVICE PROVIDER FOR TECHNICAL OR ADMINISTRATIVE SERVICES OR
44 TO PROVIDE FIRE SERVICES TO THE PROPERTY WITHIN THE FIRE DISTRICT.

1 8. REQUIRE THAT ANY INTERGOVERNMENTAL AGREEMENT OR CONTRACT BETWEEN
2 THE DISTRICT AND A PROVIDER OF FIRE PROTECTION SERVICES INCLUDE:

3 (a) A TERM OF DURATION OF NOT MORE THAN TWO YEARS.

4 (b) A PROVISION SETTING FOR THE COST OF SERVICE AND PERFORMANCE
5 CRITERIA.

6 (c) AN ACKNOWLEDGEMENT OF THE RIGHT OF THE MUNICIPALITY TO DETERMINE
7 THE LOCATION OF FUTURE INFRASTRUCTURE IF THE DISTRICT IS IN THE
8 MUNICIPALITY'S GENERAL PLAN AREA AT THE TIME OF EXECUTION OF THE CONTRACT.

9 9. ASSESS AND LEVY A SECONDARY PROPERTY TAX PURSUANT TO THIS ARTICLE
10 TO PAY FOR THE COSTS OF THE FIRE PROTECTION SERVICE OR EMERGENCY MEDICAL
11 SERVICE. THE DISTRICT SHALL NOT ASSESS AND LEVY A TAX UNLESS THE DISTRICT
12 PROVIDES FOR FIRE PROTECTION SERVICE OR EMERGENCY MEDICAL SERVICE OR BOTH.

13 10. DEFEND, INDEMNIFY AND HOLD HARMLESS OR CONTRACT A MUNICIPAL
14 PROVIDER OF FIRE PROTECTION OR EMERGENCY MEDICAL SERVICES FROM AND AGAINST
15 ANY CLAIMS OR EXPENSES TO WHICH IT MAY BE SUBJECTED BY REASON OF INJURY OR
16 DEATH OF ANY PERSON OR LOSS OR DAMAGE TO ANY PROPERTY DIRECTLY ATTRIBUTABLE
17 TO THE PROVISION OF THE SERVICES UNLESS THE SERVICES WERE PROVIDED IN A
18 GROSSLY NEGLIGENT MANNER. THE FIRE DISTRICT SHALL SECURE INSURANCE IN AN
19 AMOUNT DETERMINED BY THE BIDDER TO FULLY COVER LIABILITY EXPOSURE.

20 B. A FIRE DISTRICT, THROUGH ITS BOARD MAY:

21 1. CONTRACT FOR ADMINISTRATIVE STAFF SERVICES, IF ANY, DEEMED
22 NECESSARY OR APPROPRIATE TO CARRY OUT ITS POWERS AND DUTIES, BUT A MEMBER OF
23 A DISTRICT BOARD SHALL NOT BE AN EMPLOYEE OF THE DISTRICT.

24 2. RETAIN A CERTIFIED PUBLIC ACCOUNTANT TO PERFORM AN ANNUAL AUDIT OF
25 DISTRICT BOOKS.

26 3. RETAIN PRIVATE LEGAL COUNSEL.

27 4. SUE AND BE SUED.

28 5. ACCEPT GIFTS, CONTRIBUTIONS, BEQUESTS AND GRANTS AND COMPLY WITH
29 ANY REQUIREMENTS OF SUCH GIFTS, CONTRIBUTIONS, BEQUESTS AND GRANTS NOT
30 INCONSISTENT WITH THIS ARTICLE.

31 6. APPROPRIATE AND EXPEND ANNUALLY SUCH MONIES AS ARE NECESSARY FOR
32 THE PURPOSE OF FIRE DISTRICTS BELONGING TO AND PAYING DUES TO PROFESSIONAL
33 AFFILIATIONS OR ENTITIES.

34 C. THE COUNTY ATTORNEY MAY ADVISE AND REPRESENT THE DISTRICT WHEN IN
35 THE COUNTY ATTORNEY'S JUDGMENT SUCH ADVICE AND REPRESENTATION ARE APPROPRIATE
36 AND NOT IN CONFLICT WITH THE COUNTY ATTORNEY'S DUTIES UNDER SECTION 11-532.
37 IF THE COUNTY ATTORNEY IS UNABLE TO ADVISE AND REPRESENT THE DISTRICT DUE TO
38 A CONFLICT OF INTEREST, THE DISTRICT MAY RETAIN PRIVATE LEGAL COUNSEL OR MAY
39 REQUEST THE ATTORNEY GENERAL TO REPRESENT IT, OR BOTH.

40 D. THE CHAIRPERSON AND CLERK OF THE DISTRICT BOARD OR THEIR RESPECTIVE
41 DESIGNEES SHALL DRAW WARRANTS ON THE COUNTY TREASURER FOR MONEY REQUIRED TO
42 OPERATE THE DISTRICT IN ACCORDANCE WITH THE BUDGET AND, AS SO DRAWN, THE
43 WARRANTS SHALL BE SUFFICIENT TO AUTHORIZE THE COUNTY TREASURER TO PAY FROM
44 THE FIRE DISTRICT FUND.

1 E. THE DISTRICT SHALL NOT INCUR ANY DEBT OR LIABILITY IN EXCESS OF
2 TAXES LEVIED AND TO BE COLLECTED AND THE MONEY ACTUALLY AVAILABLE AND
3 UNENCUMBERED AT THE TIME IN THE FUND, EXCEPT AS PROVIDED IN SECTION 48-807.

4 F. FOR THE PURPOSES OF THIS ARTICLE, "FIRE SERVICE" AND "FIRE
5 PROTECTION" INCLUDE FIRE PREVENTION, INSPECTION AND ENFORCEMENT.

6 48-853. Municipality as service provider: indemnity:
7 intergovernmental agreement

8 A. IF A MUNICIPALITY OR PRIVATE PROVIDER ENTERS INTO AN
9 INTERGOVERNMENTAL AGREEMENT PURSUANT TO SECTION 48-852, SUBSECTION A,
10 PARAGRAPH 6 SUBMITS A RESPONSE TO THE REQUEST FOR PROPOSALS UNDER SECTION
11 48-852, THE MUNICIPALITY OR SERVICE PROVIDER MAY DO ANY OF THE FOLLOWING
12 BEFORE SUBMITTING ITS RESPONSE:

13 1. INSPECT THE COUNTY ISLAND PROPERTY WITHIN ITS GENERAL PLAN AREA,
14 INCLUDING INSPECTIONS FOR HAZARDOUS MATERIALS.

15 2. OBTAIN REPORTS FROM THE UNITED STATES ENVIRONMENTAL PROTECTION
16 AGENCY AND THE ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY.

17 3. OBTAIN REPORTS FROM ANY OTHER INDUSTRY THAT IDENTIFIES ANY
18 HAZARDOUS MATERIALS OR CONDITIONS IN THE AREAS OF THE FIRE DISTRICT WITHIN
19 THE MUNICIPALITY'S GENERAL PLAN AREA.

20 B. THIS SECTION DOES NOT PROHIBIT A MUNICIPALITY OR A FIRE DISTRICT
21 FROM ENTERING INTO AN INTERGOVERNMENTAL AGREEMENT WITH ANOTHER MUNICIPALITY
22 OR A FIRE DISTRICT FORMED PURSUANT TO SECTION 48-261 OR A PRIVATE PROVIDER TO
23 PROVIDE FIRE AND EMERGENCY MEDICAL SERVICES TO A FIRE DISTRICT FORMED UNDER
24 THIS ARTICLE.

25 C. A MUNICIPALITY OR A SERVICE PROVIDER THAT PROVIDES FIRE OR
26 EMERGENCY MEDICAL SERVICES PURSUANT TO AN INTERGOVERNMENTAL AGREEMENT WITH A
27 FIRE DISTRICT FORMED UNDER SECTION 48-850 SHALL PROVIDE THE SERVICE
28 PARTICULAR TO EACH COUNTY ISLAND CONSISTENT WITH THE GEOGRAPHY OF THE COUNTY
29 ISLAND, LOCATION OF FIRE STATIONS, CURRENT INFRASTRUCTURE, WATER ACCESS,
30 STREETS AND BUILDING CODES OF THE COUNTY ISLAND PROPERTY FOR WHICH SERVICE IS
31 PROVIDED.

32 D. IF A MUNICIPALITY OR A SERVICE PROVIDER CONTRACTS WITH A FIRE
33 DISTRICT FORMED UNDER THIS ARTICLE, THE MUNICIPALITY OR A SERVICE PROVIDER IS
34 LIABLE ONLY IF THE MUNICIPALITY OR SERVICE PROVIDER IS GROSSLY NEGLIGENT IN
35 PROVIDING FIRE OR EMERGENCY MEDICAL SERVICES TO THE FIRE DISTRICT. THE FIRE
36 DISTRICT SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE MUNICIPALITY OR
37 SERVICE PROVIDER FOR THE PURPOSES OF TITLE 23, CHAPTER 6 FOR A MUNICIPALITY
38 OR SERVICE PROVIDER THAT PROVIDES FIRE OR EMERGENCY MEDICAL SERVICES TO A
39 FIRE DISTRICT FORMED UNDER THIS ARTICLE, THE PROVIDERS OF THOSE SERVICES ARE
40 ACTING WITHIN THE SCOPE OF THEIR DUTIES TO THE MUNICIPALITY OR SERVICE
41 PROVIDER WHILE PROVIDING THOSE SERVICES TO THE FIRE DISTRICT.

1 Sec. 11. Municipal annexation of noncontiguous county island
2 fire district property; conditions; petition;
3 notice; biennial review

4 A. Within five years after the formation of a noncontiguous county
5 island fire district pursuant to section 48-850, Arizona Revised Statutes, as
6 added by this act, a property owner in the fire district may file a written
7 petition with the municipality whose municipal planning area includes the
8 property owner requesting the municipality to annex the property into the
9 municipality without complying with title 9, chapter 4, Arizona Revised
10 Statutes, if both of the following apply:

11 1. The property is within the municipality's general plan area on
12 January 1, 2007.

13 2. The property is located within the fire district formed pursuant to
14 section 48-850, Arizona Revised Statutes, as added by this act.

15 B. Within thirty days after determining whether the municipality will
16 annex the property pursuant to subsection A of this section, the municipality
17 shall provide notice of its annexation decision to the property owner.

18 C. The district shall submit the district impact statement under
19 section 48-850, Arizona Revised Statutes, as added by this act, to the board
20 of supervisors every two years after formation of the district to determine
21 whether the board of supervisors should continue the fire district. The
22 impact statement shall include:

23 1. The legal description of the boundaries and a detailed accurate map
24 of the fire district.

25 2. A statement as to decrease in the size of the district, if any.

26 3. Decrease in assessed property within the district, if any.

27 4. The change in property tax liability for a typical resident, if
28 any.

29 5. A list of the benefits of continuing the district.

30 6. A list of the injuries that will result from continuing or
31 discontinuing the district.

32 7. A description of the services provided the preceding two years and
33 an analysis of the effectiveness of the services provided.

34 8. Any other information the board of supervisors may deem relevant
35 and necessary.

36 D. The board of supervisors may make appropriate changes to the fire
37 district boundaries after reviewing a district impact statement. The board
38 of supervisors shall set a day, not fewer than thirty nor more than sixty
39 days from that date, for a hearing on the impact statement.

40 Sec. 12. Delayed repeal

41 Title 48, chapter 5, article 3, Arizona Revised Statutes, is repealed
42 from and after August 31, 2013.